

## APPENDIX

### Explanation of Richness Index and Description of Plan Characterizations

The Department's request for data, Bulletin INS 04-044-AB, specified 28 different plan types for reporting purposes. Carriers were asked to classify plan types based on the following four considerations.

1. Co-pays
  - i. Plans that have co-pays.
  - ii. Plans that do not have co-pays.
2. Deductible –
  - i. Plans that have no deductible.
  - ii. Plans that have a deductible that does not exceed \$1000.
  - iii. Plans that have a deductible between \$1000 and \$2000.
  - iv. Plans that have a deductible more than \$2000.
3. Coinsurance –
  - i. Plans that have coinsurance.
  - ii. Plans that do not have coinsurance.
4. Out of Pocket limit –
  - i. Plans that limit out of pocket expenditures to \$5000
  - ii. Plans with out of pocket expenditure limits that exceed \$5000.

The Department's bulletin outlined 28 plan type classifications based on these four considerations. As the data was being reviewed, the Department refined these classifications from the original set of 28 to a new set of 23. The new classification set eliminates plan type categories that were not viable and orders the plans from benefit rich (richest) to benefit poor (poorest).

## APPENDIX

### Data Collection Issues

The Department has been collecting data for 3 years on the State's health insurance markets. The request for data has been via bulletins. The most recent bulletin, Bulletin INS 04-044-AB, as well as prior data requests, can be found on the Department's website.

The first five sections of this summary report are based on operational information supplied by the carriers. Operational data is reported and aggregated by actual exposures. That is, if a person is insured with a group for only half the policy year, that person counts as only one half of an exposure or covered life.

The last section of this summary report is based on rating information. Rating data is reported by exposures at the time the policy is issued or renewed. No adjustments are made for lives leaving the group or joining the group during the policy year. These different methods of reporting data will lead to variations in the number of lives shown by market.

Another contributing cause to the variation shown for 2003 has to do with the data request itself. Rating data was only required with the most recent bulletin. While the bulletin required more data from carriers, it also created more exemptions to the reporting requirement itself. The new bulletin required carriers to resubmit 2003 experience in the new format. However, if a company was newly exempt, it was not required to refile.

The Department has summarized the reported variations by Company below:

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### Data Collection Issues

	Small Group		Small Group		Large Group		Large Group	
	2003		2004		2003		2004	
	Rating	Operational	Rating	Operational	Rating	Operational	Rating	Operational
MATTHEW THORNTON HEALTH PLAN INC	106,416	106,091	86,382	86,117	83,667	83,699	76,781	76,795
ANTHEM HEALTH PLANS OF NH, INC. (DBA ANTHEM BLUE CROSS AND BLUE SHIELD	15,361	15,303	18,928	18,866	7,008	8,008	14,119	14,121
CIGNA HEALTHCARE OF NEW HAMPSHIRE, INC.	32,731	34,124	14,665	25,505	35,946	37,419	22,975	25,660
CONNECTICUT GENERAL LIFE INSURANCE COMPANY	-	-	-	-	13,687	12,850	17,469	13,634
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY	-	427	-		-	106	-	
HARVARD PILGRIM HEALTH CARE OF NEW ENGLAND INC.	20,348	16,750	18,376	16,357	17,709	18,929	25,230	24,885
OTHER	1,599	10,593	1,062	1,833	1,282	4,230	1,625	1,624
TOTAL	176,455	183,288	139,414	148,678	159,299	165,241	158,199	156,719

Covered Lives by Plan Type  
Small Group Market  
Statewide

		2003	2004
Richness Index	Plan Description	Covered Lives	Covered Lives
1	Co-pay, No Ded, No Coins	5,281	3,886
2	No co-pay, Ded <=\$1000, No Coins, OOP <=\$5000	31	22
3	Co-pay, Ded <=\$1000, No Coins, OOP <=\$5000	79,336	66,937
4	No co-pay, Ded \$1001-\$2000, No Coins, OOP <=\$5000	582	550
5	Co-pay, Ded \$1001-\$2000, No Coins, OOP <=\$5000	8,166	6,748
6	No co-pay, Ded >\$2000, No Coins, OOP <=\$5000	853	1,113
7	Co-pay, No Ded, Coins, OOP <=\$5000	17,096	7,174
8	Co-pay, Ded <=\$1000, Coins, OOP <=\$5000	47,473	39,101
9	Co-pay, Ded >\$2000, No Coins, OOP <=\$5000	6,192	6,306
10	Co-pay, Ded <=\$1000, Coins, OOP >\$5000	717	308
11	Co-pay, Ded \$1001-\$2000, Coins, OOP <=\$5000	35	51
12	Co-pay, No Ded, Coins, OOP >\$5000	4,508	2,145
13	No co-pay, Ded >\$2000, No Coins, OOP >\$5000	198	119
14	Co-pay, Ded >\$2000, No Coins, OOP >\$5000	69	94
15	No co-pay, Ded <=\$1000, Coins, OOP <=\$5000	2,062	1,645
16	No co-pay, Ded \$1001-\$2000, Coins, OOP <=\$5000	69	54
17	No co-pay, Ded >\$2000, Coins, OOP <=\$5000	106	135
18	No co-pay, Ded <=\$1000, Coins, OOP >\$5000	5	1
19	Co-pay, Ded >\$2000, Coins, OOP <=\$5000	4	1
20	No co-pay, Ded \$1001-\$2000, Coins, OOP >\$5000	6	4
21	Co-pay, Ded \$1001-\$2000, Coins, OOP >\$5000	230	99
22	No co-pay, Ded >\$2000, Coins, OOP >\$5000	582	329
23	Co-pay, Ded >\$2000, Coins, OOP >\$5000	2,853	2,592
TOTAL		176,454	139,414

Note: Plans with no reported covered lives marked "NR", not reported.